CD&RS – Your Committee, to whom was referred an ordinance amending Title 12, Chapter 244 of the Minneapolis Code of Ordinances relating to Housing: Maintenance Code, amending provisions related to conduct on licensed premises, required rental property management training and license reinstatement requirements, now recommends that said ordinance be given its second reading for amendment and passage.

Further, that City staff be directed to return to the Community Development & Regulatory Services Committee in one year with a report evaluating data relating to conduct on premises incidents, monitoring, and other relevant information.

Certified as an official action of the City Council:

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					RECORD C	F COUNCIL V	OTE (X INDICATES	S VOTE)					
COUNCIL MEMBER	AYE	NAY	ABSTAIN	ABSENT	VOTE TO OVERRIDE	VOTE TO SUSTAIN	COUNCIL MEMBER	AYE	NAY	ABSTAIN	ABSENT	VOTE TO OVERRIDE	VOTE TO SUSTAIN
Reich	X						Glidden	X					
Gordon	X						Cano	X					
Frey	X			=			Bender	X					
B Johnson	X						Quincy	X					
Yang	X						A Johnson	X					
Warsame	X						Palmisano	X					
Goodman	X												

ADOPTED JUL 1 0 2015	APPROVED NOT APPROVED	VETOED
ATTEST CASTLE DATE		1 5 2015
CITYCLERK	MAYOR HODGES	DATE

1st Reading

2 | 21 | 20 | 4

Referred to (name of) Committee

2 | 9 | 7 |

2nd Reading and Final Passage

7 | 10 | 20 | 5

2015-Or- <u>p51</u> AN ORDINANCE of the CITY OF MINNEAPOLIS

By Glidden

Amending Title 12, Chapter 244 of the Minneapolis Code of Ordinances relating to Housing: Maintenance Code.

The City Council of the City of Minneapolis do ordain as follows:

Section 1. That Section 244.1840 of the above-entitled ordinance be amended to read as follows.

244.1840. Application for license. Within ninety (90) days after the effective date of this article, the owner of each rental dwelling shall make written application to the director regulatory services for a license to carry on the business of renting residential property. In addition, the owner of each such rental dwelling constructed after the effective date of this article shall make written application to the director of regulatory services for a license as herein provided prior to initial occupancy. Such application shall be made on a form furnished by the director of regulatory services for such purpose and shall set forth the following information:

- (1) Name, business or residence address, telephone number, and date of birth of the owner of the dwelling. If the owner is a partnership, the name of the partnership, the name, residence address, and date of birth of the managing partner, and the full name and address of all partners. If the owner is a corporation, the name and address of the corporation, and the name of the chief operating officer; in cases where the owner of a dwelling resides outside of the sixteen-county metropolitan area consisting of the following counties: Hennepin, Rice, Wright, Anoka, Washington, McLeod, Ramsey, Dakota, Scott, Carver, Sherburne, Isanti, Chisago, Sibley, Le Sueur and Goodhue; the owner's agent/contact person shall reside within the sixteen county area.
- a. All partnerships, corporations, limited liability companies or other recognized business associations which own a dwelling required to be licensed under this chapter shall submit, upon request of the director of regulatory services or the director's designee, the name and address of all partners, shareholders or interest holders. If requested by the director of regulatory services or the director's designee, information regarding the names and addresses of all partners, shareholders or interest holders must be submitted in a sworn affidavit. Failure to provide this information upon request and in proper form may result in a \$500.00 fine or other appropriate enforcement action.
- (2) If the owner has appointed an agent authorized to accept service of process and to receive and give receipt for notices, the name, business or residence address, telephone number, and date of birth of such agent.
- (3) Every applicant, whether an individual, partnership, or corporation, shall identify in the application, by name, residence or business street address, telephone number, and date of birth, a natural person who is actively involved in, and responsible for, the maintenance and management of the premises. Said natural person shall, if other than the owner, affix his or her notarized signature to the application, thereby accepting joint and several responsibility with the owner (including any potential criminal, civil,

or administrative liability) for the maintenance and management of the premises. A post office box or commercial mail receiving service are not acceptable as an address for such person. The individual designated herein may also be the owner of the dwelling or an agent identified in subsection (2) above. The phone number herein required shall be of a phone number that shall be normally answerable twenty-four (24) hours a day, seven (7) days a week, not subject to normal business hours. The person designated as the person responsible for the maintenance and management of the premises, whether that person is also the owner of the property or a designee of the owner, shall be required to respond to inquiries from the department of regulatory services or the environmental health division of the Minneapolis Health Department within a reasonable period of time. Failure to respond in a reasonable period of time may lead to adverse license action pursuant to Section 244.1910(19) of this Code.

- a. When an owner and/or the agent/contact person designated in subsection (3), have never owned or managed rental property, the owner and/or the agent/contact person shall, after the first instance in which an administrative citation issued pursuant to CHAPTER 2 of this Code has been paid, upheld upon appeal, or has been neither paid nor appealed, provide proof of attendance and successful completion of a recognized fundamentals of rental property management course approved by the director of regulatory services. Any costs associated with that workshop will be the sole responsibility of the licensee or agent/contact person.
- (4) Street address of the dwelling.
- (5) Number and kind of units within the dwelling (dwelling units, rooming units, or shared bath units). For each unit, specify the floor number, and the unit number and/or letter and/or designation.
- (6) In the event that any of the information required to be provided by this section changes, the applicant or licensee shall, within fourteen (14) days, notify in writing the director of regulatory services, or an authorized representative of the director, of the change. However, if the natural person designated in subsection (3) changes, the licensee or applicant shall file an entirely new application within fourteen (14) days. Furthermore, for just cause, the director of regulatory services, or an authorized representative of the director, may request that an applicant or licensee complete and file a new or replacement application for any rental dwelling, giving the licensee or applicant a minimum of fourteen (14) days to comply.

Section 2. That Section 244.1945 of the above-entitled ordinance be amended to read as follows:

244.1945. Reinstatement requirements. A fee of one thousand dollars (\$1,000.00) must accompany any application for reinstatement of any license or provisional license that has been denied, revoked or suspended pursuant to 244.1940, if the applicant is a new owner of the property. If the applicant for reinstatement was the owner of the property or held any interest in the rental dwelling license when the license or provisional license was denied, revoked or suspended under 244.2020, a fee of three thousand dollars (\$3,000.00) must accompany any application for reinstatement. This reinstatement fee is in addition to the license fees imposed pursuant to section 244.1880. If the applicant for reinstatement was the owner of the property when the license or provisional license was denied, revoked or suspended pursuant to section 244.2020, the owner or other natural person as defined in section 244.1840(3) shall provide proof of prior attendance and successful completion within one (1) year prior to the date of application of a recognized fundamentals of rental property management course approved by the director of regulatory services. Prior to reinstatement of any license or provisional license that has been denied, revoked or suspended,

- (1) the license applicant shall submit a satisfactory written management plan to be approved by the police department which details all actions taken and proposed to be taken by the applicant to prevent disorderly use of the premises and to ensure that the premises are operated in compliance with the Code, and
- (2) the owner or other natural person as defined in section 244.1840(3) shall provide proof of prior attendance and successful completion within one (1) year prior to the date of application of a recognized fundamentals of rental property management course approved by the director of regulatory services.
- Section 3. That Section 244.2020 of the above-entitled ordinance be amended to read as follows:
- **244.2020.** Conduct on licensed premises. (a) It shall be the responsibility of the licensee to take appropriate action, with the assistance of crime prevention specialists or other assigned personnel of the Minneapolis Police Department, following conduct by tenants and/or their guests on the licensed premises which is determined to be disorderly, in violation of any of the following statutes or ordinances, to prevent further violations.
- (1) Minnesota Statutes, Sections 609.75 through 609.76, which prohibit gambling;
- (2) Minnesota Statutes, Section 609.321 through 609.324, which prohibits prostitution and acts relating thereto;
- (3) Minnesota Statutes, Sections 152.01 through 152.025, and Section 152.027, Subdivisions 1 and 2, which prohibit the unlawful sale or possession of controlled substances;
- (4) Minnesota Statutes, Section 340A.401, which prohibits the unlawful sale of alcoholic beverages;
- (5) Section 389.65 of this Code, which prohibits noisy assemblies;
- (6) Minnesota Statutes, Sections 97B.021, 97B.045, 609.66 through 609.67 and 624.712 through 624.716, and section 393.40, 393.50, 393.70, 393.80, 393.90 and 393.150 of this Code, which prohibit the unlawful possession, transportation, sale or use of a weapon; or
- (7) Minnesota Statutes, Section 609.72, and Section 385.90 of this Code, which prohibit disorderly conduct, when the violation disturbs the peace and quiet of the occupants of at least two (2) units on the licensed premises or other premises, other than the unit occupied by the person(s) committing the violation; or when at least two distinct violations, separated by no more than sixty (60) days, disturb the peace and quiet of at least one (1) unit on the licensed premises or other premises, other than the unit occupied by the person(s) committing the violation, and the violations are reported by distinct and separate complaints.
- (b) The police department and the inspections division shall be jointly responsible for enforcement and administration of section 244.2020.
- (c) Upon determination by a crime prevention specialist, or other assigned police department employee, utilizing established procedures, that a licensed premises was used in a disorderly manner, as described in subsection (a), the responsible crime prevention specialist or other assigned police department employee shall notify the licensee by mail of the violation and direct the licensee to take appropriate action with the assistance of the Minneapolis Police Department to prevent further

violations. If the instance of disorderly use of the licensed premises involved conduct specified in paragraphs (a)(2), (a)(3) or (a)(6) of this section, the licensee shall submit a satisfactory written management plan to the police department within ten (10) days of receipt of the notice of disorderly use of the premises. The written management plan shall comply with the requirements established in paragraph (d) of this section. The licensee shall implement all provisions of the written management plan within twenty (20) days after acceptance of the management plan by the crime prevention specialist or other assigned police department employee. The notice provided to the licensee of the violation shall inform the licensee of the requirement of submitting a written management plan. That notice shall further inform the licensee that failure to submit a written management plan or failure to implement all provisions of the management plan within twenty (20) days after its acceptance may result in the city council taking action to deny, refuse to renew, revoke, or suspend the license. The established procedures manual is available to the public from the Minneapolis Police Department.

- (1) If the instance of disorderly use of the licensed premises involved conduct specified in paragraphs (a)(1), (a)(4), (a)(5), (a)(7) of this section, the licensee shall contact the police department or department of regulatory services within 10 days to discuss the instance of disorderly use.
- (d) If another instance of disorderly use of the licensed premises occurs within eighteen (18) months, if the premises contains between one (1) and six (6) distinct and separate residential units, or within twelve (12) months, if the premises contains more than six (6) between seven (7) and fifty (50) distinct and separate residential units, or within nine (9) months, if the premises contains between fifty-one (51) and one hundred (100) distinct and separate residential units, or within six (6) months, if the premises contains more than one hundred (100) distinct and separate units, of an incident for which a notice in subsection (c) was given, the crime prevention specialist or other assigned police department employee shall notify the licensee by mail of the violation. The licensee shall submit an updated satisfactory written management plan to the police department within ten (10) days of receipt of the notice of disorderly use of the premises. The written management plan shall detail all actions taken by the licensee in response to all notices of disorderly use of the premises within the preceding twelve (12) months. The written management plan shall also detail all actions taken and proposed to be taken by the licensee to prevent further disorderly use of the premises. The licensee shall implement all provisions of the written management plan within twenty (20) days after acceptance of the management plan by the crime prevention specialist or other assigned police department employee. The notice provided to the licensee of the violation shall inform the licensee of the requirement of submitting a written management plan. That notice shall further inform the licensee that failure to submit a written management plan or failure to implement all provisions of the management plan within twenty (20) days after its acceptance may result in the city council taking action to deny, refuse to renew, revoke, or suspend the license. The licensee or the listed agent/contact person for the licensee shall also successfully complete a property owner's workshop at the direction of and in accordance with a schedule set forth by the police department. Any costs associated with that workshop will be the sole responsibility of the licensee. The notice provided to the licensee of the violation shall inform the licensee of the requirement of the licensee or the listed agent/contact person for the licensee of the requirement to successfully complete a property owner's workshop. That notice shall further inform the licensee that failure to successfully complete the property owner's workshop may result in the city council taking action to deny, refuse to renew, revoke, or suspend the license.
- (e) When required by paragraph (d), the rental dwelling license for the premises may be denied, revoked, suspended, or not renewed if the licensee fails to submit a written management plan that satisfies the requirements set forth in paragraph (d), or if the licensee fails to timely implement all provisions of an accepted written management plan, or if the licensee or the listed agent/contact person for the licensee fails to successfully complete a property owner's workshop after a minimum of two (2)

approved workshops have been scheduled, offered and held. An action to deny, revoke, suspend, or not renew a license under this section shall be initiated by the director of inspections in the manner described in section 244.1940, and shall proceed according to the procedures established in sections 244.1950, 244.1960, and 244.1970.

- (f) If another instance of disorderly use of the licensed premises occurs within eighteen (18) months, if the premises contains between one (1) and six (6) distinct and separate residential units, or within twelve (12) months, if the premises contains more than six (6) between seven (7) and fifty (50) distinct and separate residential units, or within nine (9) months, if the premises contains between fifty-one (51) and one hundred (100) distinct and separate residential units, or within six (6) months, if the premises contains more than one hundred (100) distinct and separate units, after the second of any two (2) previous instances of disorderly use for which notices were sent to the licensee pursuant to this section, the rental dwelling license for the premises may be denied, revoked, suspended, or not renewed. An action to deny, revoke, suspend, or not renew a license under this section shall be initiated by the director of inspections in the manner described in section 244.1940, and shall proceed according to the procedures established in sections 244.1950, 244.1960, and 244.1970.
- (g) No adverse license action shall be imposed where the instance of disorderly use of the licensed premises occurred during the pendency of eviction proceedings (unlawful detainer) or within thirty (30) days after a notice is given by the licensee to a tenant to vacate the premises, where the disorderly use was related to conduct by that tenant or his/her guests. Eviction proceedings shall not be a bar to adverse license action, however, unless they are diligently pursued by the licensee. A notice to vacate shall not be a bar to adverse license action unless a copy of the notice is submitted to the crime prevention specialist or other assigned police department employee within ten (10) days of receipt of the violation notice. Further, an action to deny, revoke, suspend, or not renew a license based upon violations of this section may be postponed or discontinued by the director of inspections at any time if it appears that the licensee has taken appropriate action to prevent further instances of disorderly use.
- (h) A determination that the licensed premises have been used in a disorderly manner as described in subsection (a) shall be made upon substantial evidence to support such a determination. It shall not be necessary that criminal charges be brought to support a determination of disorderly use, nor shall the fact of dismissal or acquittal of such a criminal charge operate as a bar to adverse license action under this section.

Certified as an official action of the City Council:

RECORD C	F COUNCIL V	OTE (X INDICATE	S VOTE)					
VOTE TO OVERRIDE	VOTE TO SUSTAIN	COUNCIL MEMBER	AYE	NAY	ABSTAIN	ABSENT	VOTE TO OVERRIDE	VOTE TO SUSTAIN
		Glidden	X					
		Cano	X					
		Bender	X					
		Quincy	X					
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COUNCIL MEMBER	AYE	NAY	ABSTAIN	ABSENT	VOTE TO OVERRIDE	VOTE TO SUSTAIN	COUNCIL MEMBER	AYE	NAY	ABSTAIN	ABSENT	VOTE TO OVERRIDE	VOTE TO SUSTAIN
Reich	X						Glidden	X					
Gordon	X						Cano	X					
Frey	Х						Bender	X					
B Johnson	Х						Quincy	X					
Yang	X						A Johnson	X	OI 7				
Warsame	X						Palmisano	X					
Goodman	X												

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MAYOR HODGES

DATE